

We represent the plaintiff in the above-referenced matter. Pursuant to your directive issued during the court conference held on November 30, 2007, please allow the within to serve as the "letter brief" requested regarding diversity jurisdiction.

The plaintiff in this action is National Union Fire Insurance Company of Pittsburgh, PA ("National Union"). National Union brings this action as subrogee and assignee of The Rockefeller Foundation ("Rockefeller"). It is the citizenship of National Union, as subrogee, which is controlling when evaluating whether diversity jurisdiction exists (Matter of the Complaint of Kreta Shipping, S.A., as Owner of M/V Amphion, for Exoneration from Limitation on Liability (S.D.N.Y. 1997). National Union and Rockefeller are both incorporated and maintain a primary place of business in the State of New York. However, defendant Lisa Baker is believed to be a resident of Florida. As such, it is Ms. Baker's residency that serves as the basis for the plaintiff's assertion that venue in the instant Court is proper pursuant to 28 U.S.C. § 1332.

However, diversity is not the only basis upon which this Court is afforded jurisdiction. The plaintiff has asserted a RICO cause of action pursuant to 18 U.S.C.A. § 1962 against all defendants. As such, jurisdiction in the instant court is proper pursuant to 28 U.S.C. § 1331, regardless of whether diversity jurisdiction exists or not.

IT IS ORDERED that counsel to whom this Memo Endorsement is sent is responsible for faxing a copy to all counsel and retaining verification of such in counsel's case file. Do not DENVER toxonomable such by Endorse to Chambers.

NEWARK, NEW JERSEY

RIDGEWOOD, NEW JERSEY

MORRISTOWN, NEW JERSEY

MCELROY, DEUTSCH, MULVANEY & CARPENTER LLP

Our File No. A0014-1217 Page 2

We trust the foregoing is satisfactory to the court. We will be happy to provide any further information that the Court may deem necessary. We also take this opportunity to provide you with a courtesy copy of the Amended Complaint.

Thank you for your consideration.

Very truly yours,

McElroy, Deutsch, Mulvaney & Carpenter, LLP

Brian W. Keatts

Encl.

cc: Anthony McEwan (via overnight mail with encl.)
Weston Community TLC
Defendant
2262 Adam Clayton Powell Jr. Blvd, Apt. 5H
New York, NY 10030

Cheryl McEwan (via overnight mail w/ encl.) DIN #: 07G0242 Albion Correctional Facility Defendant 3595 State School Road Albion, NY 14411-9399

Marc A. Lebowitz, Esq. (via overnight mail w/ encl.) Attorney for Defendant Paul Shusterman 275 Madison Avenue, 36th Floor New York, NY 10016

Todd D. Greenberg, Esq. (via overnight mail w/ encl.) Addabbo & Greenberg Attorneys for Defendant Frank Melli 118-21 Queens Blvd. Suite 306 Forest Hills, NY 11375

MCELROY, DEUTSCH, MULVANEY & CARPENTER LLP

Our File No. A0014-1217 Page 3

Lacho Terrazas (via overnight mail w/ encl.)

Defendant
84-47 118th Street
Apt. 3B
Kew Gardens, NY 11415

Lisa Baker (via overnight mail w/ encl.)

Defendant
1334 SW 14th Street
Boca Raton, FL 33486-5305

FAX TRANSMITTAL SHEET



ANDREW J. PECK UNITED STATES MAGISTRATE JUDGE UNITED STATES DISTRICT COURT

Southern District of New York United States Courthouse 500 Pearl Street, Room 1370 New York, N.Y. 10007-1312

Fax No.: (212) 805-7933 Telephone No.: (212) 805-0036

Telephone No.: (212) 803-003

ТО	FAX NUMBER
Brian W. Keatts, Esq.	212-483-9129
	212 403-3123

Total Number of Pages: 3

TRANSCRIPTION:

Dated: December 19, 2007

MEMO ENDORSED 12/19/07

- 1. Because National Union is a N.Y. corporation (Am. Compl. ¶ 7) and one or more defendants are citizens of N.Y. (e.g., id. ¶ 8), there is NO diversity! If the federal RICO claim fails, the only jurisdiction over the state claims will be supplemental jurisdiction under 28 U.S.C. § 1367 and the Court may decline to exercise such jurisdiction.
- 2. Plaintiff's counsel is to serve this Order on all defendants.

Copy to: Judge Barbara S. Jones